

2. Objective

2.1. In the light of above, the broad objectives of the document can be set out as under: -

- i. To rationalize the existing regulatory and supervisory approach keeping in view the heterogeneous character of entities in the sector
- ii. To facilitate a focused and continuous system of supervision through enhanced use of technology.
- iii. To enhance professionalism and improve the quality of governance in UCBs by providing training for skill up-gradation as also by including large depositors in the decision making process / management of banks.
- iv. To put in place a mechanism that addresses the problems of dual control, given the present legal framework, and the time consuming process in bringing requisite legislative changes
- v. To put in place a consultative arrangement for identifying weak but potentially viable entities in the sector and provide a framework for their being nurtured back to health including, if necessary, through a process of consolidation
- vi. To identify the unviable entities in the sector and provide an exit path for such entities.